H.M. WALKER & ASSOCIATES, Inc.

--- Environmental Consultants

3321 East Bayou Drive Dickinson, Texas 77539 Telephone: (713) 337-1177

August 28, 1995

Hercules Marine Services Corp. Attn: Mr. Larry Ballinger P.O. Box Drawer O Freeport, Texas 77541

Dear Larry:

Attached are copies of the text of the proposed Coast Guard regulations which I obtained from Platzer.

I have marked passages which merit your attention. I am sure that many changes will be made before this becomes final. Hercules and the rest of the industry should protest strenuously anything which will cause significant operating, economic, or safety problems.

I am concerned with the following:

1) Any requirement which precludes the use of large light flexible hoses to remove vapors from the bottom of the tanks.

2) A requirement for a hard connection between the tank and

the vapor collection line (except a ground wire).

3) A requirement for turnovers beyond that required to achieve a safe concentration below the flammable level.

4) Too many mandatory procedures, valves, analyzers and instruments.

Sincerely,

Harry M. Walker, Ph.D. Environmental Consultant